



UNITED STATES GENERAL ACCOUNTING OFFICE

WASHINGTON, D.C. 20548

INTERNATIONAL DIVISION

SEP 2 1975

The Honorable William E. Colby  
Director, Central Intelligence  
Agency

Attention: Mr. Paul V. Walsh  
Associate Deputy Director

Dear Mr. Colby:

Enclosed are 3 copies of our draft report (classified Secret) to the Congress presenting an assessment and information on East-West trade policies, programs, and procedures. Because the report is subject to revision, we wish to call your attention to the notice on the cover pertaining to limitations on the use of the document and the need for safeguards to prevent any premature disclosure or unauthorized use.

The promptness with which we obtain and consider agency comments on our report drafts is an important factor in maintaining the timeliness and relevance of our reports to the Congress. We view this report as providing the Congress with a basis for possible further inquiry and action later this year. In view of this and the strong congressional interest already expressed in the report's subject matter, we are requesting that written official agency comments be made within 30 days from the date of this letter. Final processing of the draft report will begin after that date and we cannot insure that comments received subsequent to the 30-day period will still be considered in the final report.

We have met and discussed the report informally with members of your agency and have considered their comments in preparing the enclosed draft, which should facilitate your review. Comments regarding technical details, correction of factual errors and the like would be useful and appreciated. The principal focus of your

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comments, however, would be most beneficial if directed to the substantive issues involved, particularly with respect to the conclusions and recommendations expressed and the matters identified for consideration by the Congress. We would also appreciate being advised of any unusual sensitivities associated with the report material. We wish to encourage dialogue on these matters between your representatives and ours during the review process and are available for discussion. Cross-referencing of your comments to the report would be appreciated.

Finally, we are requesting that the enclosed report be reviewed for security classification. The security classifications indicated are based on those shown in the supporting documents reviewed and are marked by originating source. It is believed, however, that most of this information should no longer be classified. It is our desire to issue an unclassified report, but if this is not possible, we plan to issue a general unclassified summary statement and a restricted classified overall report. Thus, it would be helpful if you would indicate the phrase or sentence within each paragraph that may still require classification along with an explanation as to the reason for each such classification. If you believe that sections of the report must remain classified, we request your permission to release the final report to the Congress.

Copies of this report are being sent to the Departments of the Treasury, State, Commerce, Defense, and Agriculture; Eximbank, National Security Council, Council on International Economic Policy, Special Representative for Trade Negotiations, and the Assistant to the President for Economic Affairs.

For further information concerning this draft report, please call Mr. Joseph R. Ferri, Assistant Director, International Division, on code 129, extension 6346.

Sincerely yours,

*Charles P. Ugelstad*  
for  
J. K. Fasick  
Director

Enclosures - 3

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MEMORANDUM FOR: Deputy Director/OER

Walt--

Would you please prepare a memorandum for my signature stating formally the Agency's position on this draft. I also would like some advice on whether the classified language regarding the Czech diversion of the computer is creating any problems for us. Ditto regarding any of the recommendations contained in the report.

 STATINTL

Paul V. Walsh  
ADDI

Attachment

Date 5 Sept 1975

FORM 101 USE PREVIOUS  
5-75 EDITIONS